

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2004

	June-04					March-04				December-03				September-03				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Month		Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		Fiscal YTD	FY03	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003	6/30/2003
																				Net	Net
LARGE CAP DOMESTIC EQUITY																					
<i>Structured Growth</i>																					
LA Capital	656,242	5.1%	5.1%	2.77%	1.97%	636,123	5.0%	5.1%	-0.32%	629,523	5.1%	5.1%	9.12%	576,605	5.0%	5.1%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.48%	-20.46%	-5.64%
Total Structured Growth	656,242	5.1%	5.1%	2.77%	1.97%	636,124	5.0%	5.1%	-0.32%	629,523	5.1%	5.1%	9.12%	576,605	5.0%	5.1%	6.62%	19.20%	-1.48%	-20.46%	-5.64%
Russell 1000 Growth				1.94%	1.25%				0.79%				10.41%				3.92%	17.88%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>																					
LSV	689,864	5.4%	5.1%	2.13%	3.96%	685,270	5.3%	5.1%	6.07%	694,427	5.6%	5.1%	15.61%	602,231	5.3%	5.1%	3.36%	29.44%	-2.05%	9.06%	3.95%
Russell 1000 Value				0.88%	2.36%				3.03%				14.19%				2.06%	21.13%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>																					
LA Capital	799,644	6.2%	5.1%	1.47%	1.68%	670,847	5.2%	5.1%	1.60%	651,528	5.2%	5.1%	11.80%	582,817	5.1%	5.1%	2.89%	18.59%	1.08%	N/A	N/A
Russell 1000				1.40%	1.80%				1.90%				12.26%				3.00%	19.48%	0.96%	N/A	N/A
<i>Enhanced S&P 500 Index</i>																					
Northern Trust	890,239	6.9%	5.1%	1.40%	1.76%	636,282	5.0%	5.1%	1.83%	616,597	5.0%	5.1%	12.42%	548,484	4.8%	5.1%	2.51%	19.00%	0.28%	N/A	N/A
Strong	168,613	1.3%	5.1%	1.68%	3.15%	661,581	5.2%	5.1%	2.68%	635,753	5.1%	5.1%	12.76%	563,874	4.9%	5.1%	2.89%	21.13%	3.30%	N/A	N/A
Westridge	839,499	6.5%	5.1%	1.74%	1.92%	692,677	5.4%	5.1%	1.76%	671,794	5.4%	5.1%	12.24%	598,645	5.2%	5.1%	2.67%	19.30%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	1,898,351	14.8%	15.4%	1.61%	2.28%	1,990,539	15.5%	15.4%	2.09%	1,924,144	15.5%	15.4%	12.47%	1,711,003	15.0%	15.4%	2.69%	19.81%	1.35%	N/A	N/A
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.24%	N/A	N/A
<i>S&P 500 Index</i>																					
State Street	450,736	3.5%	3.4%	1.72%	1.94%	449,325	3.5%	3.4%	1.68%	436,012	3.5%	3.4%	12.16%	388,694	3.4%	3.4%	2.64%	19.08%	0.31%	-11.14%	-1.58%
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	4,494,837	35.1%	34.3%	1.75%	2.27%	4,432,105	34.6%	34.3%	2.22%	4,335,635	34.8%	34.3%	12.33%	3,861,350	33.7%	34.3%	3.03%	20.38%	0.49%	-9.68%	-2.32%
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY																					
<i>Manager-of-Managers</i>																					
SEI	1,378,497	10.8%	10.7%	-0.89%	3.15%	1,426,906	11.1%	10.7%	6.67%	1,419,310	11.4%	10.7%	14.93%	1,323,970	11.6%	10.7%	9.73%	33.33%	0.68%	N/A	N/A
Russell 2000 + 200bp				0.98%	4.38%				6.78%				15.07%				9.60%	35.99%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,378,497	10.8%	10.7%	-0.89%	3.15%	1,426,906	11.1%	10.7%	6.67%	1,419,310	11.4%	10.7%	14.93%	1,323,970	11.6%	10.7%	9.73%	33.33%	0.68%	-3.37%	-0.65%
Russell 2000				0.47%	4.21%				6.26%				14.52%				9.07%	33.36%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY																					
<i>Large Cap - Core</i>																					
State Street	147,995	1.2%	1.1%	0.62%	2.48%	146,673	1.1%	1.1%	4.41%	154,792	1.2%	1.1%	14.33%	136,342	1.2%	1.1%	6.10%	27.44%	-9.96%	-13.28%	-4.72%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>																					
Capital Guardian	364,780	2.8%	2.8%	-0.43%	1.11%	365,368	2.8%	2.8%	3.09%	374,016	3.0%	2.8%	13.65%	331,600	2.9%	2.8%	7.48%	25.40%	-11.30%	-14.96%	0.47%
Bank of Ireland	73,481	0.6%	0.6%	0.80%	1.34%	72,707	0.6%	0.6%	1.62%	73,556	0.6%	0.6%	17.49%	63,096	0.6%	0.6%	2.70%	23.61%	-10.28%	N/A	N/A
Total Large Cap - Active	438,261	3.4%	3.3%	-0.22%	1.15%	438,075	3.4%	3.3%	2.85%	447,572	3.6%	3.3%	14.27%	394,696	3.4%	3.3%	6.69%	25.11%	-11.12%	-14.58%	0.74%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>																					
Lazard	78,831	0.6%	0.6%	4.22%	4.19%	75,455	0.6%	0.6%	9.32%	74,273	0.6%	0.6%	14.48%	72,299	0.6%	0.6%	10.72%	44.40%	-2.32%	N/A	N/A
Wellington	76,664	0.6%	0.6%	-0.66%	3.10%	78,836	0.6%	0.6%	9.37%	74,138	0.6%	0.6%	11.65%	75,850	0.7%	0.6%	17.28%	42.26%	5.97%	N/A	N/A
Total Small Cap - Active	155,495	1.2%	1.1%	1.73%	3.65%	154,291	1.2%	1.1%	9.34%	148,412	1.2%	1.1%	12.96%	148,148	1.3%	1.1%	14.01%	43.25%	1.75%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	741,750	5.8%	5.5%	0.36%	1.93%	739,040	5.8%	5.5%	4.47%	750,775	6.0%	5.5%	14.01%	679,186	5.9%	5.5%	8.08%	29.19%	-8.22%	-12.63%	-0.99%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY																					
Capital Guardian	233,277	1.8%	2.0%	-10.97%	-0.98%	289,031	2.3%	2.0%	9.14%	264,840	2.1%	2.0%	14.85%	251,157	2.2%	2.0%	14.62%	27.91%	7.15%	-10.61%	1.62%
MSCI Emerging Markets Free				-9.58%	0.46%				9.71%				17.81%				14.23%	33.50%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME																					
<i>Core Bond</i>																					
Western Asset	502,952	3.9%	3.9%	-1.54%	0.81%	513,200	4.0%	3.9%	2.83%	452,841	3.6%	3.9%	1.24%	434,842	3.8%	3.9%	-0.47%	2.02%	13.42%	11.88%	8.58%
Lehman Aggregate				-2.44%	0.57%				2.66%				0.32%				-0.15%	0.32%	10.39%	10.07%	7.54%
<i>Active Duration</i>																					
WestAM (Criterion)	493,625	3.9%	3.9%	-2.56%	0.43%	454,144	3.5%	3.9%	2.45%	443,871	3.6%	3.9%	0.32%	429,801	3.8%	3.9%	-0.39%	-0.25%	9.93%	9.39%	6.85%
Lehman Aggregate				-2.44%	0.57%				2.66%				0.32%				-0.15%	0.32%	10.39%	10.07%	7.54%
<i>Index</i>																					
Bank of ND	783,859	6.1%	6.7%	-3.18%	0.49%	804,198	6.3%	6.7%	3.09%	697,644	5.6%	6.6%	-0.10%	690,530	6.0%	6.5%	-0.73%	-1.03%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	101,729	0.8%	0.8%	1.27%	0.42%	105,395	0.8%	0.8%	0.87%	111,418	0.9%	0.9%	1.41%	111,218	1.0%	1.0%	1.43%	5.08%	5.83%	5.84%	5.85%
Total Index	885,589	6.9%	7.5%	-2.34%	0.47%	909,593	7.1%	7.5%	2.61%	809,062	6.5%	7.5%	0.23%	801,749	7.0%	7.5%	-0.21%	0.23%	10.77%	10.08%	7.44%
Lehman Gov/Credit				-3.17%	0.41%				3.08%				-0.03%				-0.50%	-0.72%	13.15%	10.82%	7.83%

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	Allocation		Quarter	Month	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Fiscal YTD	FY03	Ended	Ended
	Market Value	Actual	Policy	Net ROR		Market Value	Actual	Policy		Market Value	Actual	Policy		Market Value	Actual	Policy		Net ROR	Net ROR	6/30/2003	6/30/2003
Convertibles																					
TCW	507,635	4.0%	3.9%	1.59%	2.48%	502,160	3.9%	3.9%	2.55%	490,398	3.9%	3.9%	10.01%	442,428	3.9%	3.9%	1.86%	16.74%	10.37%	-9.08%	N/A
First Boston Convertible Index				-0.87%	1.19%				3.60%				8.54%				2.67%	14.44%	15.35%	-3.81%	N/A
BBB Average Quality																					
Strong	477,776	3.7%	3.9%	-3.58%	0.53%	497,847	3.9%	3.9%	3.37%	448,539	3.6%	3.9%	1.47%	438,673	3.8%	3.9%	0.16%	1.29%	14.81%	10.35%	N/A
Lehman BBB				-3.55%	0.47%				3.41%				1.22%				0.27%	1.23%	18.33%	9.91%	N/A
Timberland																					
Evergreen (Wachovia)	874,891	6.8%	6.8%	2.46%	0.31%	884,736	6.9%	6.9%	1.89%	867,709	7.0%	7.0%	6.04%	810,346	7.1%	7.1%	-0.22%	10.46%	12.50%	N/A	N/A
																				N/A	N/A
TOTAL DOMESTIC FIXED INCOME	3,742,468	29.2%	30.0%	-0.81%	0.74%	3,761,679	29.3%	30.0%	2.61%	3,512,421	28.2%	30.0%	3.15%	3,357,839	29.3%	30.0%	0.09%	5.08%	11.62%	6.95%	6.77%
Lehman Aggregate				-2.44%	0.57%				2.66%				0.32%				-0.15%	0.32%	10.39%	10.07%	7.54%
HIGH YIELD BONDS																					
Western Asset	-	0.0%	0.0%	N/A	N/A	594,156	4.6%	5.0%	1.39%	586,065	4.7%	5.0%	5.54%	555,311	4.9%	5.0%	1.99%	N/A	20.04%	2.51%	4.15%
Lehman High Yield Bond Index				N/A	N/A				2.34%				5.91%				2.77%	N/A	22.77%	5.44%	2.66%
Loomis Sayles	313,212	2.4%	2.5%	-2.24%	2.47%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman High Yield Cash Pay Index				-0.75%	1.44%													N/A	N/A	N/A	N/A
Sutter/Wells Capital	319,014	2.5%	2.5%	-0.43%	0.97%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Merrill Lynch High Yield Master II Index				-0.80%	1.45%													N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	632,226	4.9%	5.0%	-1.32%	1.71%	594,156	4.6%	5.0%	1.39%	586,065	4.7%	5.0%	5.54%	555,311	4.9%	5.0%	1.99%	7.69%	20.04%	2.51%	4.15%
Lehman High Yield Bond Index				-0.96%	1.43%				2.34%				5.91%				2.77%	10.33%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME																					
International Sovereign																					
UBS Global (Brinson)	278,130	2.2%	2.3%	-3.20%	0.31%	287,362	2.2%	2.3%	1.43%	283,309	2.3%	2.3%	6.49%	242,751	2.1%	2.3%	3.17%	7.86%	18.20%	8.47%	5.93%
Citigroup Non-US Gov't Bond Index (1)				-3.39%	0.16%				1.57%				6.71%				2.75%	7.59%	17.91%	8.10%	6.29%
International Core																					
Brandywine	288,359	2.2%	2.3%	-1.10%	-0.20%	291,583	2.3%	2.3%	1.76%	286,540	2.3%	2.3%	7.32%	237,577	2.1%	2.3%	1.52%	9.65%	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				-3.22%	0.10%				-0.93%				6.77%				2.76%	5.20%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	566,489	4.4%	4.5%	-2.15%	0.05%	578,945	4.5%	4.5%	1.60%	569,849	4.6%	4.5%	6.91%	480,327	4.2%	4.5%	2.35%	8.78%	17.83%	8.36%	5.86%
Citigroup Non-US Gov't Bond Index (1)				-3.39%	0.16%				1.57%				6.71%				2.75%	7.59%	17.91%	8.10%	6.29%
REAL ESTATE																					
J.P. Morgan	641,065	5.0%	5.0%	3.15%	1.33%	572,974	4.5%	5.0%	1.95%	562,034	4.5%	5.0%	3.16%	544,842	4.8%	5.0%	2.43%	11.11%	7.80%	7.36%	10.23%
NCREIF TOTAL INDEX				3.12%	1.03%				2.56%				2.76%				1.97%	10.82%	7.64%	8.51%	10.16%
ALTERNATIVE INVESTMENTS																					
Coral Partners V	44,810			-25.03%	0.00%	58,658			0.00%	64,381			-1.26%	58,940			-6.88%	-31.07%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	4,011			-6.24%	0.00%	4,199			66.55%	3,203			-0.95%	3,066			-15.67%	30.44%	-28.36%	N/A	N/A
Coral Partners VI	22,735			-1.53%	0.00%	22,658			-5.08%	9,649			-4.63%	9,594			-12.18%	-21.72%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	9,566			-1.29%	-1.29%	10,622			4.04%	10,968			2.36%	10,757			4.07%	9.41%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	15,947			2.43%	0.54%	13,972			5.59%	14,715			4.99%	13,290			0.98%	14.66%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	26,481			3.79%	0.36%	24,190			3.85%	25,024			2.47%	21,368			0.67%	11.19%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	12,223			3.30%	1.78%	9,165			3.95%	7,670			-1.11%	7,354			0.43%	6.64%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	5,688			1.87%	1.87%	6,689			1.28%	5,187			-1.16%	4,976			12.21%	14.42%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	955			-2.97%	-2.97%	966			2.18%	507			-0.24%	482			-3.58%	N/A	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	8,049			-1.96%	-0.63%	7,211			10.02%	7,041			5.58%	7,277			6.32%	21.09%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	10,051			2.68%	2.68%	9,606			8.72%	9,492			0.52%	8,954			2.82%	15.38%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	6,284			1.06%	1.06%	6,102			6.10%	5,218			1.18%	4,890			7.50%	16.63%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	9,440			4.30%	4.30%	8,882			8.66%	7,904			0.96%	6,766			3.71%	18.67%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	2,237			-3.57%	-3.72%	1,251			-0.37%	1,349			0.05%	440			-0.05%	-3.93%	N/A	N/A	N/A
Brinson 2004 Non-US Partnership Fund	433			0.00%	0.00%	-			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	45,719			10.87%	0.00%	38,496			14.62%	36,082			-3.67%	35,517			-1.02%	21.17%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	65,411			1.34%	0.00%	75,825			0.47%	84,515			10.99%	72,204			0.00%	13.00%	N/A	N/A	N/A
InvestAmerica	9,366			0.00%	0.00%	9,191			-7.73%	10,702			0.00%	10,148			-7.73%	-12.50%	N/A	N/A	N/A
Hearthstone MSII	2,599			6.14%	0.00%	4,683			0.00%	12,141			15.36%	13,716			5.06%	28.64%	28.98%	13.57%	N/A
Hearthstone MSIII	39,223			0.00%	0.00%	25,571			-0.85%	30,686			0.00%	1,714			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	341,219	2.7%	3.0%	-2.27%	0.27%	337,939	2.6%	3.0%	7.27%	346,433	2.8%	3.0%	3.15%	291,452	2.5%	3.0%	-1.01%	7.05%	-9.78%	-11.43%	-6.84%
CASH EQUIVALENTS																					
Northern Trust STIF/STEP	46,091	0.4%	0.0%	0.40%	0.10%	91,436	0.7%	0.0%	0.36%	95,080	0.8%	0.0%	0.32%	98,579	0.9%	0.0%	0.35%	1.44%	1.84%	3.33%	4.22%
90 Day T-Bill				0.24%	0.07%				0.24%				0.26%				0.25%	0.98%	1.52%	3.33%	4.07%
TOTAL FUND	12,817,920	100.0%	100.0%	-0.01%	1.59%	12,824,211	100.0%	100.0%	3.34%	12,442,442	100.0%	100.0%	8.70%	11,444,013	100.0%	100.0%	3.28%	15.99%	5.32%	-1.84%	2.29%
POLICY TARGET BENCHMARK				-0.34%	1.56%				3.01%				7.66%				2.85%	13.67%	4.99%	-1.79%	2.88%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.